

United States District Court
Central District of California

HERSHAL BRIDGES, III, et al.

Plaintiffs,

v.

DEALERS' CHOICE TRUCKAWAY
SYSTEM, INC., et al.,

Defendants.

Case No. 2:20-cv-01620-ODW (SKx)

**ORDER DENYING PLAINTIFFS'
MOTION TO REMAND [8],
GRANTING DEFENDANTS'
MOTION TO TRANSFER [11], AND
DENYING DEFENDANTS' MOTION
TO DISMISS [10].**

I. INTRODUCTION

Plaintiffs Hershhal Bridges, III and Jason C. Hurd, III (together, "Plaintiffs") filed this action in Los Angeles Superior Court against Defendants Dealers' Choice Truckaway System, Inc. and IronTiger Logistics, Inc. (together, "Defendants"). (Notice of Removal ("Notice"), Ex. A ("Compl."), ECF No. 1-1.) Defendants subsequently removed the case to this Court under the Class Action Fairness Act, 28 U.S.C. §§ 1332, 1441, 1446, and 1453 ("CAFA"). (Notice 3-14, ECF No. 1.)

Now pending before the Court are Plaintiffs' Motion to Remand for lack of subject matter jurisdiction and Defendants' Motions to Transfer to the United States District Court for the Western District of Missouri or, alternatively, to Dismiss for lack of personal jurisdiction. (Mot. to Remand ("MTR"), ECF No. 8; Mot. to Transfer

1 (“MTT”), ECF No. 11; Mot. to Dismiss (“MTD”), ECF No. 10). For the reasons that
2 follow, the Court **DENIES** Plaintiffs’ Motion to Remand, **GRANTS** Defendants’
3 Motion to Transfer, and **DENIES** Defendants’ Motion to Dismiss for lack of personal
4 jurisdiction as moot.¹

5 **II. BACKGROUND**

6 Bridges and Hurd brought this class action against Defendants on behalf of
7 themselves and the class they seek to represent. The proposed class (the “Class”)
8 consists of “all current and former drivers . . . who performed work for D[efendants]
9 in the State of California while residing outside of the State.” (Compl. ¶ 6.) Bridges
10 resides in Florida, and Hurd resides in Texas. (Compl. ¶¶ 3–4.) Dealers’ Choice is a
11 Kansas corporation with its principal place of business in Missouri, and IronTiger is a
12 Missouri corporation with its principal place of business in Missouri. (Notice 3.)
13 Plaintiffs allege eight causes of action against Defendants: (1) Failure to Provide
14 Required Meal Periods, (2) Failure to Provide Required Rest Periods, (3) Failure to
15 Pay Minimum Wage, (4) Failure to Pay All Wages Due to Discharged and Quitting
16 Employees, (5) Failure to Provide Accurate Itemized Wage Statements, (6) Failure to
17 Indemnify Employees for Necessary Expenditures Incurred in Discharge of Duties,
18 (7) Unlawful Wage Deductions, and (8) Unfair and Unlawful Business Practices.
19 (Compl. ¶¶ 21-63.) Notably, Plaintiffs do not allege a specific number of total
20 violations or a specific amount in total damages. (*See* Compl., Prayer for Relief.)

21 Defendants removed under CAFA and, alternatively, under 28 U.S.C. § 1332(a)
22 based on Hurd’s individual claims. Now, Plaintiffs move to remand, claiming that the
23 aggregate amount in controversy (“AIC”) does not meet the \$5 million threshold
24 required by CAFA, and that the individual AIC as to Hurd does not exceed \$75,000 as
25 required for traditional diversity jurisdiction. (*See generally* MTR.) Relevantly,
26 Defendants filed a declaration by Rick Lantefield, the Treasurer and Chief Financial
27

28 ¹ After carefully considering the papers filed in support of and in opposition to the Motion, the Court
deemed the matter appropriate for decision without oral argument. Fed. R. Civ. P. 78; L.R. 7-15.

1 Officer for both Defendants, to support their contentions that the AIC requirements
2 are satisfied. (Decl. of Rick Lantefield (“Lantefield Decl.”), ECF Nos. 1-2, 18-1.²)
3 Defendants later filed their Motion to Dismiss for lack of personal jurisdiction (ECF
4 No. 10) and Motion to Transfer the case (ECF No. 11).

5 **III. MOTION TO REMAND**

6 First, the Court considers Plaintiffs’ Motion to Remand. Plaintiffs argue that
7 the case must be remanded because Defendants have failed to show by a
8 preponderance of the evidence that the total AIC exceeds \$5 million and that the AIC
9 as to Hurd exceeds \$75,000. (*See* MTR; Reply ISO MTR, ECF No. 23.) Because the
10 Court concludes that jurisdiction exists under CAFA, the Court declines to assess the
11 AIC specific to Hurd’s individual claims.

12 **A. Legal Standard**

13 Federal courts have subject matter jurisdiction only as authorized by the
14 Constitution and Congress. U.S. Const. art. III, § 2, cl. 1; *see also Kokkonen v.*
15 *Guardian Life Ins. Co.*, 511 U.S. 375, 377 (1994). For instance, CAFA allows for
16 federal jurisdiction over a purported class action when (1) there is an AIC exceeding
17 \$5 million, (2) at least one putative class member is a citizen of a state different from
18 Defendants, and (3) the putative class exceeds 100 members. 28 U.S.C. § 1332(d)(2).
19 However, “[i]f at any time before final judgment it appears that the district court lacks
20 subject matter jurisdiction [over a case removed from state court], the case shall be
21 remanded.” 28 U.S.C § 1447(c).

22 The first step in determining an AIC is to look to the complaint. *Ibarra v.*
23 *Manheim Invs., Inc.*, 775 F.3d 1193, 1197 (9th Cir. 2015). “Whether damages are
24 unstated in a complaint, or, in the defendant’s view are understated, the defendant
25 seeking removal bears the burden to show by a preponderance of the evidence that the
26 aggregate amount in controversy exceeds \$5 million when federal jurisdiction is

27
28 ² Although there are minor differences, these declarations are substantively identical; thus, the Court refers to them as a single declaration for purposes of this Order.

1 challenged.” *Id.* When plaintiffs challenge the AIC asserted by the defendant, “both
2 sides submit proof and the court decides, by a preponderance of the evidence, whether
3 the [AIC] requirement has been satisfied.” *Dart Cherokee Basin Operating Co., LLC*
4 *v. Owens*, 574 U.S. 81, 88 (2014). The parties may prove the AIC by way of
5 affidavits, declarations, or other summary-judgment type evidence. *Ibarra*, 775 F.3d
6 at 1197 (citing *Singer v. State Farm Mut. Auto. Ins. Co.*, 116 F.3d 373, 377 (9th Cir.
7 1997)); *Ray v. Wells Fargo Bank, N.A.*, No. CV 11-01477 AHM (JCx), 2011 WL
8 1790123, at *6. (C.D. Cal. May 9, 2011).

9 In wage-and-hour cases such as this one, “violation rates are key to the
10 calculations necessary to reach the [\$5 million] amount-in-controversy figure CAFA
11 requires.” *Toribio v. ITT Aerospace Controls LLC*, No. 19-CV-5430-GW (JPRx),
12 2019 WL 4254935, at *2 (C.D. Cal. Sept. 5, 2019). A defendant attempting to
13 establish an AIC by a preponderance of the evidence may do so by assuming the
14 frequencies of violations, but those assumptions must be reasonable. *See Ibarra*, 775
15 F.3d at 1199. To that end, “the Ninth Circuit distinguishes between complaints of
16 ‘uniform’ violations and those alleging a ‘pattern and practice’ of labor law
17 violations.” *Dobbs v. Wood Grp. PSN, Inc.*, 201 F. Supp. 3d 1184, 1188 (E.D. Cal.
18 2016) (citing *LaCross v. Knight Trans. Inc.*, 775 F.3d 1200, 1202 (9th Cir. 2015)).
19 When a complaint alleges “uniform” violations, it might be reasonable to assume a
20 100% violation rate if “the plaintiff offers no competent evidence in rebuttal.” *Id.* at
21 1188. But when a complaint alleges a “pattern and practice” of labor law violations,
22 assuming a 100% violation rate is unreasonable; the assumed violation rate must be
23 lower. *See id.*; *Ibarra*, 775 F.3d at 1198–99 (“[A] ‘pattern and practice’ of doing
24 something does not necessarily mean *always* doing something.” (emphasis in
25 original)). For instance, numerous courts have found violation rates between 25% to
26 60% to be reasonable based on “pattern and practice” and “policy and practice”
27 allegations. *Castillo v. Trinity Servs. Grp., Inc.*, No. 1:19-cv-01013-DAD (EPGx),
28 2020 WL 3819415, at *7 (E.D. Cal. July 8, 2020) (citing cases).

1 **B. Discussion**

2 Defendants claim the total AIC is over \$24 million. (Notice 12–13.) Although
3 the Court does not completely agree with Defendants’ calculations, the Court
4 nonetheless finds that the aggregate AIC based on Plaintiffs’ claims is at least
5 \$5 million, as explained below.

6 *1. Failure to Indemnify Necessary Business Expenditures*

7 Plaintiffs’ sixth cause of action alleges a failure to indemnify employees for “all
8 business expenses and/or losses incurred in direct consequence of the discharge of
9 their duties while working under the direction of D[efendants], including but not
10 limited to expenses for uniforms, cell phone usage, and other employment-related
11 expenses.” (Compl. ¶ 47.)

12 Defendants do not purport to calculate the cost of uniforms or cell phone usage,
13 but they estimate that Class members spent \$1,861,916 on fuel. (Notice 11–13.) To
14 reach this number, Defendants submit declaration evidence that at least 1,997 Class
15 members collectively drove 3,817,484 miles within California during the relevant time
16 period. (Lantefield Decl. ¶ 4.) Additionally, “fuel tax records for the 4-year period of
17 2016-2019 show an average miles per gallon for all contractors under contract with
18 the company of 6.93 MPG.” (Lantefield Decl. ¶ 9.) Consequently, Defendants reason
19 that Class-member drivers purchased approximately 550,863 gallons of fuel for the
20 miles they drove in California during the relevant time period. (Notice 12.)
21 Defendants then cite statistics from the U.S. Energy Information Administration to
22 assert that the average cost of diesel fuel in California between 2016–2019 was \$3.38
23 per gallon. (Notice 12.) Thus, Defendants estimate that the Class-member drivers
24 spent \$1,861,916 (550,863 gallons multiplied by \$3.38 per gallon) on diesel fuel for
25 the purposes of driving truckloads through California. (Notice 12.)

26 Now, Plaintiffs argue that Defendants’ calculations must be reduced to reflect
27 only work performed in California and, in any event, that Defendants’ reliance on a
28 100% violation rate is unreasonable. (*See* MTR 2.) Plaintiffs also contend that the

1 AIC should not include any reimbursements for fuel because the Complaint does not
2 place “fuel costs” in controversy. (Reply ISO MTR 13.) In particular, Plaintiffs urge
3 the Court to consider *Henry v. Central Freight Lines, Inc.*, 692 F. App’x 806, 807 (9th
4 Cir. 2017), as an example of how *not* to rule. (Reply ISO MTR 13.) Defendants
5 counter by explaining that their fuel-cost calculations *are* limited to reflect only miles
6 driven in California, but they do not need to be so limited because Plaintiffs’ claims
7 are not either, and Plaintiffs’ claim for failure to indemnify necessary business
8 expenses *does* allege a 100% violation rate. (Opp’n to MTR 7, 11–12, ECF No. 18.)
9 Defendants are correct.

10 In fact, closer examination of *Henry* reveals far more similarities than
11 differences. In *Henry*, a group of truck drivers brought a class action suit against their
12 employer, seeking, among other things, “reimbursement for all costs and expenses of
13 owning and/or leasing, repairing, maintaining, and fueling the trucks and vehicles that
14 the truck drivers drove while conducting work.” 692 F. App’x at 807 (internal
15 quotation marks and brackets omitted). There, the defendant had removed the case to
16 federal court under CAFA; the district court had remanded based on an insufficient
17 AIC after finding that certain claims failed as a matter of law; and the Ninth Circuit
18 reversed the district court’s remand. *Id.* The *Henry* court explained, “The amount in
19 controversy is simply an estimate of the total amount in dispute, and is a concept
20 distinct from the amount of damages ultimately recoverable.” *Id.* (alteration in
21 original) (internal quotation marks and citations omitted). Thus, in *Henry*, the court
22 simply looked to the complaint which sought reimbursement for “all costs and
23 expenses of . . . leasing the trucks” to conclude that “lease-related payments ha[d]
24 been placed into controversy and [we]re properly considered for purposes of CAFA
25 jurisdiction.” *Id.* (internal quotation marks omitted). Notably, in addition to the costs
26 of leasing the trucks, the Ninth Circuit in *Henry* also counted allegedly unreimbursed
27 fuel costs as part of the AIC, based on a declaration from the defendant’s Vice
28 President and Chief Financial Officer. *Id.*

1 The facts of this case are not so different. Plaintiffs are truck drivers suing
2 Defendants for the same types of labor law violations at issue in *Henry*, and
3 Defendants submit declaration evidence to substantiate their calculations for the
4 amount of fuel costs placed in controversy by Plaintiffs' claims. Plaintiffs argue that
5 many of Defendants' calculations are not recoverable as a matter of law because they
6 are not limited to the work Plaintiffs performed in California, and that they should,
7 therefore, be discounted for AIC purposes. But for the same reasons explained in
8 *Henry*, whether Plaintiffs can ultimately recover damages for violations occurring
9 outside of California makes no difference in calculating the AIC when the Complaint
10 includes no such limitation. Although Plaintiffs limit the putative class to drivers who
11 at some point drove through California, they seek non-reimbursement damages for
12 "all business expenses" throughout the course of their employment. As Plaintiffs do
13 not limit their damages to violations associated with their work within California, the
14 AIC is not so limited; it is as broad as the Complaint's allegations. *See id.*

15 Plaintiffs argue that, unlike in *Henry*, they do not "specifically" identify fuel in
16 their sixth claim for reimbursement of business expenses. (Reply ISO MTR 13; *see*
17 Compl. ¶ 47.) But this distinction makes little difference because Plaintiffs seek "*all*
18 business expenses . . . incurred in direct consequence of the discharge of their duties
19 while working under the direction of D[efendants]," and the Class members are
20 defined as "current and former drivers . . . who performed work for D[efendants] in
21 the State of California while residing outside of the State." (Compl. ¶¶ 6, 47
22 (emphasis added).) Surely, fuel costs are normally incurred business expenses for
23 truck drivers. Indeed, cases like *Henry* evidence that fuel costs are often the subject of
24 reimbursement claims under California Labor Code section 2802 between similarly
25 situated parties. *See, e.g., Henry*, 692 F. App'x at 807; *LaCross*, 775 F.3d at 1202–
26 1203 (reversing the district court's remand because defendants had reasonably
27 calculated the amount in controversy based on fuel costs).

1 Ultimately, if Plaintiffs were to succeed on their sixth claim, Defendants would
2 need to reimburse them for all expenditures incurred in direct consequence of the
3 discharge of their duties as truck drivers, including fuel costs. *See Henry*, 692 F.
4 App'x at 807 (quoting *LaCross*, 775 F.3d at 1202–03). Although Plaintiffs argue that
5 Defendants' estimates are too high, their arguments are legally unsupported, and
6 Plaintiffs do not specify what the actual number should be. Moreover, Defendants'
7 calculations appear to be substantiated by credible declaration testimony.
8 Accordingly, the Court finds that Defendants have shown by a preponderance of
9 evidence that the total AIC comprises at least **\$1,861,916**.

10 *2. Meal Period and Rest Break Premiums*

11 Plaintiffs' first and second causes of action seek meal period and rest break
12 premiums, respectively. (Compl. ¶¶ 21–29.) As to these claims, Defendants submit
13 declaration evidence that putative class members moved a total of 216,938 truckloads
14 in California in the relevant time period and that each load took at least one day to
15 move. (Lantefield Decl. ¶¶ 3–4.) Thus, Defendants estimate that 216,938 missed
16 meal periods and missed rest breaks are in controversy. (Notice 9–10; Lantefield
17 Decl. ¶ 4.) Using an ostensibly conservative rate equal to the current California
18 minimum wage, Defendants multiply the total number of potential missed meal
19 periods and rest breaks by \$12/hour to reach amounts in controversy of \$2,603,256 for
20 meal period premiums and \$2,603,256 for rest break premiums. (Notice 9–10.)

21 Plaintiffs argue that Defendants unreasonably rely on 100% violation rates to
22 reach these numbers.³ (*See MTR* 8, 10–11.) On this point, Plaintiffs are correct
23 because Plaintiffs do not allege uniform violations of missed meal periods or rest
24 breaks. Rather, they allege that Defendants deprived them of meal periods and rest
25

26 ³ Plaintiffs also generally protest these calculations because Defendants base them on the entire time
27 that Class members worked for Defendants, rather than focusing only on the time worked in
28 California. (*See MTR* 5.) However, Defendants' calculations for meal period and rest break
premiums *do* appear to be limited to just the work performed in California. (Notice 9–10; Lantefield
Decl. ¶¶ 3–4.) Thus, this argument fails.

1 breaks “as part of . . . policies and practices to deprive their non-exempt employees all
2 wages earned and due.” (Compl. ¶¶ 22, 27.) Based on the Complaint’s language,
3 Defendants’ proposed calculations are unacceptable because they rely on an
4 unreasonable assumption of a 100% violation rate. *See Ibarra*, 775 F.3d at 1198–99;
5 *Dobbs*, 201 F. Supp. 3d at 1188–89.

6 Nevertheless, Plaintiffs appear to concede that 50% would be a reasonable
7 violation rate. (*See* MTR 11 (suggesting “application of a more reasonable violation
8 rate, like 50% (rather than 100%).”) Defendants appear to have agreed to the 50%
9 violation rate as well. (*See* Opp’n to MTR 7–8 (applying a 50% violation rate to
10 calculate a reduced AIC).) The Court agrees that 50% is a reasonable violation rate.
11 *See Elizarraz v. United Rentals, Inc.*, No. 2:18-CV-09533-ODW (JCx), 2019 WL
12 1553664, at *3–4 (C.D. Cal. Apr. 9, 2019) (finding a 50% violation rate for missed
13 meal periods and a 25% violation rate for missed rest periods reasonable based on
14 “pattern and practice” allegations); *Marquez v. Toll Global Forwarding (USA) Inc.*,
15 No. 2:18-cv-03054-ODW (ASx), 2018 WL 3046965, at *3 (C.D. Cal. June 19, 2018)
16 (accepting an alternately offered 50% violation rate of meal and rest break penalties
17 based on language that violations occurred “often”). Thus, considering the parties’
18 agreement and Defendants’ declaration testimony, the Court finds that Defendants
19 have shown by a preponderance of the evidence that the AIC comprises an additional
20 **\$2,603,256** based on meal period and rest break premiums, together.

21 3. *Waiting Time Penalties*

22 Plaintiffs allege with their fourth claim that Defendants “willfully failed to pay
23 accrued wages and other compensation” to Plaintiffs and that “[a]s a result,
24 P[laintiffs] . . . are entitled to all available statutory penalties, including the waiting
25 time penalties provided in California Labor Code § 203.” (Compl. ¶¶ 37–38.) As for
26 this claim, Defendants submit declaration evidence that at least 903 putative Class
27 members terminated their contracts within the relevant time period and within the
28 applicable two-year statute of limitations. (Lantefield Decl. ¶ 6.) Multiplying

1 12 dollars per hour by 8 hours by 30 days by 903 drivers, Defendants assert that the
2 AIC as to wage statement penalties equals \$4,555,750. (Notice 10.)

3 Plaintiffs contend that it is unreasonable to assume a 100% violation rate or a
4 30-day maximum violation in each instance of waiting time penalties. (*See* MTR 6–
5 7.) Indeed, Plaintiffs may be correct. Although Plaintiffs seek “all available statutory
6 penalties,” they do not necessarily allege that Defendants owe waiting time penalties
7 for all employees to whom such penalties could possibly apply. (Compl. ¶ 39.) The
8 Court need not decide this issue, however, because again, Plaintiffs appear to concede
9 that a 50% violation rate would be reasonable (*see* MTR 11), and Defendants appear
10 to agree to the 50% deduction in their calculations (*see* Opp’n to MTR 7–8). Once
11 more, the Court finds that a 50% violation rate would be reasonable. *See Elizarraz*,
12 2019 WL 1553664, at *3–4; *Marquez*, 2018 WL 3046965, at *3. Thus, in light of the
13 parties’ agreement and based on Defendants’ declaration evidence, the Court finds
14 that Defendants have shown by a preponderance of the evidence that the AIC
15 comprises at least an additional **\$2,600,640** based on waiting time penalties.

16 In summary, the Court concludes that Plaintiffs’ meal period, rest break,
17 waiting time, and reimbursement claims satisfy CAFA’s amount in controversy
18 requirements because \$1,861,916 (for failure to indemnify business expenses) plus
19 \$2,603,256 (for meal period and rest break premiums) plus \$2,600,640 (for waiting
20 time penalties) exceeds \$5 million. Since these claims alone put the total AIC over
21 the jurisdictional threshold, the Court declines to analyze the AIC as to the remainder
22 of Plaintiffs’ claims. As all other jurisdictional requirements are satisfied, the Court
23 **DENIES** Plaintiffs’ Motion to Remand. (ECF No. 8.)

24 **IV. MOTION TO TRANSFER**

25 The Court now turns to Defendants’ Motion to Transfer the case to the United
26 States District Court for the Western District of Missouri.

1 **A. Legal Standard**

2 A district court may transfer an action to any district or division where (1) the
3 transferee court is one where the action might have been brought, and (2) the parties'
4 and witnesses' convenience, as well as the interests of justice, favor transfer. 28
5 U.S.C. § 1404(a); *Hatch v. Reliance Ins. Co.*, 758 F.2d 409, 414 (9th Cir. 1985); *Metz*
6 *v. U.S. Life Ins. Co.*, 674 F. Supp. 2d 1141, 1145 (C.D. Cal. 2009). As to the first
7 step, the transferee court is one where the action might have been brought if "subject
8 matter jurisdiction, personal jurisdiction, and venue would have been proper if the
9 plaintiff had filed the action in the district to which transfer is sought." *Metz*, 674 F.
10 Supp. 2d at 1145. As to the second step, the movant must present strong grounds for
11 transferring the action; otherwise, the plaintiff's choice of venue will not be disturbed.
12 *Decker Coal Co. v. Commonwealth Edison Co.*, 805 F.2d 834, 843 (9th Cir. 1986).
13 Additionally, the Ninth Circuit has noted that a court deciding whether to transfer may
14 consider factors such as:

15 (1) the location where the relevant agreements were negotiated and
16 executed, (2) the state that is most familiar with the governing law,
17 (3) the plaintiff's choice of forum, (4) the respective parties' contacts
18 with the forum, (5) the contacts relating to the plaintiff's cause of action
19 in the chosen forum, (6) the differences in the costs of litigation in the
20 two forums, (7) the availability of compulsory process to compel
 attendance of unwilling non-party witnesses, and (8) the ease of access
 to sources of proof.

21 *Jones v. GNC Franchising, Inc.*, 211 F.3d 495, 498–99 (9th Cir. 2000). The
22 Court has "broad discretion to transfer a case to another district where venue is also
23 proper." *Amini Innovation Corp. v. JS Imps., Inc.*, 497 F. Supp. 2d 1093, 1108 (C.D.
24 Cal. 2007); *see also* *Commodity Futures Trading Comm'n v. Savage*, 611 F.2d 270,
25 279 (9th Cir. 1979) ("Weighing of the factors for and against transfer involves subtle
26 considerations and is best left to the discretion of the trial judge.").

1 **B. Discussion**

2 Clearly, this action could have been brought in Missouri. The transferee court
3 has subject matter jurisdiction for the reasons explained above, and it has general
4 personal jurisdiction over both Defendants because they are both headquartered in
5 Missouri. (*See* MTT 6.) Venue is proper in the Western District of Missouri because
6 Defendants are headquartered in Independence, Missouri, which is within the
7 transferee court's district, and "all [D]efendants are residents of the State in which the
8 district is located." *See* 28 U.S.C. §§ 1391(b)(1), 1391(c)(2). The transferee court is
9 one in which the action might have been brought. Consequently, the decision to
10 transfer turns on the convenience to the parties, convenience to the witnesses, and the
11 interests of justice. *See Young Props. Corp. v. United Equity Corp.*, 534 F.2d 847,
12 852 (9th Cir. 1976).

13 *1. Convenience to the Parties*

14 Plaintiffs claim it would be more difficult for them to travel to Missouri than
15 California, and they contend that transferring the case would impermissibly shift the
16 inconvenience of litigating in a foreign jurisdiction from Defendants to Plaintiffs.
17 (Opp'n to MTT 21, ECF No. 20.) Defendants argue that Plaintiffs' argument relies on
18 self-serving declarations and that transferring the case to Missouri would result in
19 greater convenience to all parties because both Defendants are headquartered in
20 Missouri, and as residents of Florida and Texas, both named Plaintiffs are closer to
21 Missouri than California. (*See* Reply ISO MTT 6–7, ECF No. 22.) The Court agrees
22 with Defendants.

23 Defendants assert that they execute contracts, dispatch orders, and pay
24 contractors from their headquarters in Missouri, and that they have "no California
25 facilities, no California employees, no California bank accounts, and [are] not
26 registered to do business in California." (MTT 2–3; 2d Decl. of Rick Lantefield ("2d
27 Lantefield Decl.") ¶¶ 3–5, 7, ECF No. 11-2; Decl. of Dave Bross ("Bross Decl.")
28 ¶¶ 2–3, ECF No. 11-3; Decl. of John Hummel ¶¶ 3–4, ECF No. 11-4.) Plaintiffs

1 attempt to rebut this by claiming that Defendants operate delivery “hubs” across the
2 country, including in California, where drivers deliver truckloads of vehicles as part of
3 their job duties. (Opp’n to MTT 9–11.) Defendants explain, however, that the alleged
4 “hubs” are in fact operated by a third party, and while Defendants do instruct drivers
5 to deliver vehicles to those “hubs,” their competitors do too, and none of the hub
6 operators are employees or agents of Defendants. (Reply ISO MTT 2–3; Decl. of
7 Andy Glass ¶¶ 2–5, ECF No. 22-1.) Considering these circumstances, the Court is
8 satisfied that it would be more convenient for Defendants to litigate this action in
9 Missouri, where their headquarters and employees are located.

10 For their part, Plaintiffs assert that Missouri is a more inconvenient venue than
11 California because they are “acquainted with the airports, flights and hotels [in
12 California] and believe it would be easier” to travel to California, as “the various
13 flight options into and out of the major airport of LAX will make traveler [sic] there
14 far more affordable than flights to smaller airports.” (Decl. of Hershal Bridges, III
15 (“Bridges Decl.”) ¶ 20, ECF No. 20-1; Decl. of Jason C. Hurd, III (“Hurd Decl.”)
16 ¶ 19, ECF No. 20-2.) The Court finds Plaintiffs’ declarations to be self-serving and
17 speculative. Plaintiffs’ belief that flights to Los Angeles would be cheaper than flights
18 to Kansas City—despite the fact that they reside closer to Kansas City—is not enough
19 to outweigh the increased convenience for Defendants that would result from a
20 transfer. Moreover, the Court disagrees with Plaintiffs’ argument that transfer would
21 shift the inconvenience of litigating in a foreign jurisdiction from Defendants to
22 Plaintiffs because *no* Plaintiffs reside in California. (*See* Compl. ¶ 6.) Accordingly,
23 the Court finds that a balancing of convenience to the parties favors transfer.

24 2. *Convenience to the Witnesses*

25 Defendants argue that the convenience to the witnesses must weigh in favor of
26 transfer because all company witnesses are located in Missouri, and no witnesses—
27 neither Defendants’ employees nor any of the putative Class members—are located in
28 California. (MTT 8; Reply ISO MTT 7.) Plaintiffs counter that Defendants fail to

1 identify any Class member or non-employee witness who resides in Missouri. (Opp’n
2 to MTT 7.) Plaintiffs further claim that “Defendants’ managers at their Hubs in
3 Fontana and Sacramento [and other customers] would have intimate knowledge of the
4 work . . . [that] drivers performed in California if called as witnesses,” and Plaintiffs
5 “recall that the manager in Fontana was a man named Sal and that the manager in
6 Sacramento was named Tyrone.” (Bridges Decl. ¶ 18; Hurd Decl. ¶ 17; *see also*
7 Opp’n to MTT 10–11.)

8 Although it is likely true that customer witnesses in California would be
9 inconvenienced by a transfer, Defendants’ company witnesses in Missouri would
10 undoubtedly be inconvenienced by denying transfer. Additionally, the Court notes
11 that in a wage-and-hour case such as this, employee witnesses who dealt with hiring,
12 dispatch, and payroll would seem to provide more critical information than customers
13 to whom cars were delivered in California. Indeed, Plaintiffs may have acted as the
14 face of Defendants’ business when delivering vehicles to customers in California (*see*
15 Bridges Decl. ¶¶ 13–14; Hurd Decl. ¶¶ 12–13), but Plaintiffs fail to adequately explain
16 how those customers could provide relevant testimony as to the terms of the
17 contractual hiring relationship between Defendants and Plaintiffs (*see* Reply ISO
18 MTT 7). Accordingly, the Court finds that a balancing of convenience to the relevant
19 witnesses also favors transferring the action.

20 3. *The Interests of Justice*

21 Plaintiffs correctly point out that, in motions to transfer venue, the plaintiffs’
22 choice of forum is typically given considerable weight. But “when an individual
23 brings a derivative suit or represents a class, the named plaintiff’s choice of forum is
24 given less weight.” *Lou v. Belzberg*, 834 F.2d 730, 739 (9th Cir. 1987). “In such
25 circumstances, the amount of weight to be accorded to plaintiffs’ choice of forum
26 depends on the extent of the parties’ contacts with the chosen venue, including those
27 relating to plaintiffs’ claim for relief.” *Parr v. Stevens Transport, Inc.*, No. C 19-
28 02610-WHA, 2019 WL 4933583, at *3 (N.D. Cal. Oct. 7, 2019) (citing *Pac. Car &*

1 *Foundry Co. v. Pence*, 403 F.2d 949, 954 (9th Cir. 1968) (granting transfer because,
2 on facts similar to those presented here, the factors favored transfer). “[D]eference to
3 the plaintiff’s choice of forum is diminished if . . . the forum is not the primary
4 residence of either the plaintiff or defendant.” *Catch Curve, Inc. v. Venali, Inc.*, No.
5 05-CV-04820-DDP (AJWx), 2006 WL 4568799, at *2 (C.D. Cal. Feb. 27, 2006).

6 Here, the Court finds *Parr* instructive. As in *Parr*, Defendants have contacts
7 with the forum state as they regularly conduct business nationwide, including in
8 California. (MTT 2–3.) The Court also assumes without deciding that Plaintiffs’
9 claims, which are brought under California law, arise directly from Defendants’ local
10 contacts with the forum state. *See Parr*, 2019 WL 4933583, at *4. However, as was
11 the case in *Parr*, “[P]laintiffs’ own contacts with the forum are dubious” because the
12 Class is defined to *exclude* any drivers who reside in California (Compl. ¶ 6). *See id.*
13 Therefore, none will be “deprived of the presumed advantages of [their] home
14 jurisdiction.” *Id.* at *4 (quoting *Koster v. Lumbermens Mut. Cas. Co.*, 330 U.S. 518,
15 524 (1947)).

16 Indeed, the instant case is fundamentally similar to *Parr*. Here, “Plaintiffs’ best
17 point is that this case presents an issue of legitimate importance to California, namely
18 the extent to which out-of-state drivers can benefit from California’s labor laws when
19 they drive through our state.” *Id.* Surely, “California has an interest in making sure
20 its laws are observed for work done in California, even if it is only a brief span in a
21 long over-the-road haul.” *Id.* But the Court must consider Missouri’s interest in
22 adjudicating the matter as well. In this case, Defendants are headquartered in
23 Missouri, and they hire drivers from many different states. (MTT 1–3; *See* 2d
24 Lantefield Decl. ¶¶ 3, 5–7; Bross Decl. ¶ 3.) Plaintiffs seek to represent a Class of all
25 of Defendants’ drivers who do *not* reside in California but who have driven in
26 California as part of their work. (Compl. ¶ 6.) The gravamen of Plaintiffs’ claims is
27 that two Missouri companies violated California labor laws when they hired non-
28 Californian drivers—e.g., Floridian and Texan drivers—to deliver vehicles across the

1 country, sometimes in California. (*See generally* Compl.) Where all of Defendants'
2 employees and records are located in Missouri and the convenience to the parties and
3 witnesses favors transferring the case, this Court cannot say that California clearly has
4 the greater interest in adjudicating this case. Furthermore, even though this Court may
5 be more familiar with applying California law, there is no reason why a district court
6 sitting in Missouri would be incapable of doing the same. *See Atl. Marine Const. Co.,*
7 *Inc. v. U.S. Dist. Ct. for W. Dist. of Tex.*, 571 U.S. 49, 67 (2013) (“[F]ederal judges
8 routinely apply the law of a State other than the State in which they sit.”).


9 Accordingly, upon balance of the relevant circumstances, including the
10 convenience to the parties and witnesses and the interests of justice, the Court
11 **GRANTS** Defendants’ Motion to Transfer the case to the Western District of
12 Missouri. (ECF No. 11.) Consequently, the Court **DENIES** Defendants’ Motion to
13 Dismiss for lack of personal jurisdiction as moot. (ECF No. 10.)

14 **V. CONCLUSION**

15 In summary of the foregoing, the Court **DENIES** Plaintiffs’ Motion to Remand
16 (ECF No. 8), **GRANTS** Defendants’ Motion to Transfer to the United States District
17 Court for the Western District of Missouri (ECF No. 11), and **DENIES** Defendants’
18 Motion to Dismiss as moot (ECF No. 10). All dates and deadlines are hereby
19 **VACATED**. The Clerk of the Court shall close this case.

20
21 **IT IS SO ORDERED.**

22
23 August 24, 2020

24
25 

26 **OTIS D. WRIGHT, II**
27 **UNITED STATES DISTRICT JUDGE**
28